

Secrets of Successful Employee Recognition

by Bob Nelson

Although money is important, you can get potentially more benefit from forms of recognition that are personal, creative and fun.

You get what you reward" is a common-sense notion that is not common practice in most organizations today. When rewards are used, financial incentives are the major focus. In fact, most managers feel that all employees want is more money.

While money can be an important way of letting workers know their worth to the company, it tends not to be a sustaining motivational force to most individuals. In other words, salary raises and bonuses are nice, but they seldom motivate people to do their best on the job on an ongoing basis. Daily excitement for people's work is influenced more by how they are treated in the workplace-that is, by the softer side of management more than by what they are paid.

Money also has limitations as a motivator because in most organizations performance reviews-and corresponding raises-occur annually. To inspire employees, managers must recognize achievements and progress toward goals much more frequently than once a year. In fact, recognizing and rewarding performance should take place on a daily basis.

Intangible rewards work best

What tends to motivate workers the most are such intangibles as being appreciated for the work they've done, being kept informed about things that affect them and having a sympathetic manager who takes the time to listen to them. In a research study of 1,500 employees in a variety of work settings, Gerald Graham, professor of management at Wichita State University, also found that money was not a top motivator. Personalized, instant recognition from managers was reported to be the most motivating incentive of 65 potential incentives he evaluated. But 58 percent of employees reported that they seldom, if ever, received such personal thanks from their managers. Second was a letter of praise for good performance written by the manager.

In the 1994 National Study of the Changing Workforce conducted by the Families and Work Institute of New York, "open communication" was ranked highest by respondents when asked to list items they consider to be "very important" in deciding to take their current job. Staffing company Robert Half International recently reported that the No. 1 reason employees give for leaving companies is a lack of praise and recognition. These findings support the belief that how employees are treated-and appreciated-has a significant impact on their motivation.

No-cost recognition that works

Having learned that employees are motivated by intangible rewards, companies would be wise to consider the power and possibilities of no-cost job recognition when trying to motivate employees to do their best. Many no-cost methods that probably will be most effective can also be part of most jobs in the workplace. I remember some of the best methods by the first letter of the word "intangible," which I call "The Power of I's."

◆ *Interesting work.* Employees should have at least part of their job be of great interest to them. As management theorist Frederick Herzberg once said, "If you want someone to do a good job, give them a good job to do." While some jobs may be inherently boring, you can provide employees with at least one stimulating task or project. Name them to a suggestion committee that meets weekly, or to some other special group. The increased productivity will more than compensate for the time away from their regular job.

◆ *Information/communication/feedback.* As previously pointed out, now more than ever employees want information. They crave knowledge about how they are doing in their jobs and how the company is doing in its business. Start telling them how the company makes and spends money. Soon you will have them turning out the lights when they are the last to leave the room.

◆ *Involvement/ownership in decisions.* Involving employees-especially in decisions that affect them-is both respectful to them and practical. People who are closest to the problem or customer typically have the best insight on how to improve a situation. They know what works and what doesn't, yet they are rarely asked for their opinion. As you involve others, you enhance their commitment and increase the ease in implementing changes.

◆ *Independence/autonomy/flexibility.* Most employees-especially experienced, top-performing employees-value the freedom to do their job as they see fit. All employees, however, appreciate flexibility in their job. When you provide these characteristics to employees based on desired performance, it increases the likelihood that they will perform as desired. Even with new employees, you can provide work assignments in a way that tells them what needs to be done without dictating exactly how to do it.

◆ *Increased visibility, opportunity.* For some workers, providing them with visibility is a public way of giving them credit for their work. This can be achieved in many ways, such as copying a letter of praise for others in the organization, having the person stand to be acknowledged at a staff meeting, putting his or her picture on a "wall of fame" in your company and so forth. Likewise, a new assignment or additional responsibilities extended as recognition for past performance also motivates most employees.

Rewards should be simple yet creative

In addition to the types of no-cost recognition that can be built into an individual's job, management should also administer low-cost rewards designed to encourage employees to excel. To heighten their effectiveness, these intangible rewards should be granted frequently and should be personal and creative.

The key word is "creative." Take time to find out what specifically motivates and excites each employee, and then do your best to make those things happen. When one of your employees has put in extra effort on a key project or met a particular goal, recognize the accomplishment immediately in a unique and memorable way. The more creative and innovative you are with the reward, the more fun it will be for the employee, others in the organization and you.

The ideas for creative rewards are endless. For example, Hewlett-Packard has adopted a Golden Banana Award. It came about when a company engineer burst into his manager's office in Palo Alto, California, to announce he'd just found the solution to a problem the group had been struggling with for many weeks. His manager quickly groped around his desk for some item to acknowledge the accomplishment and ended up handing the employee a banana from his lunch

with the words: "Well done! Congratulations!" At first, the employee was puzzled, but over time the Golden Banana Award became one of the most prestigious honors bestowed on an inventive employee.

At Walt Disney World in Orlando, Florida, one of the company's 180 recognition programs is called the Spirit of Fred Award, named for an employee called Fred. When Fred first went from an hourly to a salaried position, five people taught him the values necessary for success at Disney. This helped to inspire the award, in which the name Fred became an acronym for friendly, resourceful, enthusiastic and dependable. First given as a lark, the award has come to be highly coveted in the organization. Fred makes each award-a certificate mounted on a plaque-as well as The Lifetime Fred Award, a bronze statuette of Mickey Mouse given to multiple recipients of the Spirit of Fred Award.

AT&T Universal Card Services in Jacksonville, Florida, uses the World of Thanks award as one of more than 40 recognition and reward programs. It's a pad of colored papers shaped like a globe with "Thank You" written all over it in different languages. Anyone in the company can write a message of thanks to someone else and send it to that person. The program has been extremely popular-in four years they have used more than 130,000 such notes.

There are hundreds of ideas for you to consider that are creative and simple to implement. For example, you could:

- ◆ Write a letter to the employee's family telling them about the employee's recent feat and what it means to you and the company.
- ◆ Arrange for a top manager in your company to have a recognition lunch with the employee or have the company president call the employee to thank him or her personally for a job well done.
- ◆ Find out what an employee's hobby is and purchase a small gift that relates to that hobby.
- ◆ Dedicate the parking space closest to the building entrance to the outstanding employee of the month.
- ◆ Create a "Wall of Fame" to honor high achievers and special achievements in your organization.

Ideas like these are limited only by your imagination, time and creativity. Not only will such rewards single out exceptional employees in a unique fashion, they will also create a positive story that the employee will tell others over and over again. Friends, family and co-workers will get to hear about the individual's achievement and what the company did to celebrate it.

Making successful recognition efforts stick

Planning and implementing effective recognition programs is only the first step in achieving long-term results. Managers cannot stop at rewarding the desired behavior. They must strive to help make these new behaviors become permanent in the workplace. Instituting the types of frequent, personal recognition already discussed is instrumental in encouraging a lasting change, but you can take other measures to help encourage employees to perform consistently at this heightened level.

- ◆ *Keep communicating about the topic.* Publish articles about continued results and examples of successes in your company publication or call them out publicly in departmental or company meetings. For instance, employee suggestions can continue to be highlighted by noting company

savings from each suggestion or by interviewing top suggestors to encourage role modeling. In addition, be sure to have management individually thank employees who have continued to perform as desired.

- ◆ *Provide ongoing training.* Emphasize the new behaviors in orientation and training programs. For example, at the end of a companywide quality initiative, be sure the topic of quality is adequately covered in the new employee-orientation program as a value that is of the utmost importance to the company. Make sure training programs are established to continue to promote the desired skills in practice and to train employees who change jobs or are new to the organization.

- ◆ *Align policies and procedures to support new behaviors.* Nothing kills advances made by a recognition program faster than organizational systems that do not support the desired behavior. For example, if you just finished a program that rewarded your sales team for focusing on larger customers, make sure the company's invoicing system and shipping practices are geared toward serving large customers as well.

- ◆ *Hire and promote based on the value highlighted in the recognition program.* To perpetuate a desired behavior, make it become a value for the organization upon which hiring and promotions are based. For example, at Disney they hire employees who are people-oriented for almost every position in the organization. By hiring based upon that value, they find it easier to deliver better service to customers and perpetuate the service value in their organizational culture. A truly integrated value should also become part of employee performance reviews.

- ◆ *Build upon past programs.* Build and learn from the recognition program you just finished to launch a follow-up program. For example, turn end-of-program awards into a tradition by creating annual awards based on the criteria of the initial recognition program. Or, if you just had a successful program to promote improved customer service, shift the emphasis to focus on improved internal service between departments.

Rewarding employees for their exceptional work is critical for keeping them motivated to want to do their best. Although money is important, you can get potentially more benefit from forms of recognition that are personal, creative and fun. Try such rewards for yourself to see the pride, enthusiasm-and motivation-that can be generated.

About the author

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Seven Simple Insights for Motivating Employees

- ◆ You get what you reward. Be sure you have clearly defined what you want to get, then use rewards and recognition to move toward those goals.
- ◆ Understand what motivates your employees. What is motivating to individuals varies from person to person. To be on target, ask employees what they want.
- ◆ The most motivating rewards take little or no money. Try a sincere "thank you," providing information and involvement in decision making-especially if it affects employees.
- ◆ Everyone wants to be appreciated. Competent people, quiet people, even managers want to know that what they are doing is important and meaningful.
- ◆ All behavior is controlled by its consequences. Positive consequences will lead most quickly to desired behavior and enhanced results.
- ◆ Management is what you do with people, not to them. Tell employees what you want to do and why. By involving them, you will gain their commitment and support more easily.
- ◆ Common sense is often not common practice. It's not what you believe or say-it's what you do. Practice recognizing people and their achievements on a daily basis.